



General Assembly

Substitute Bill No. 1027

January Session, 2001

AN ACT CONCERNING THE SUBSTANCE ABUSE REVOLVING LOAN FUND.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Subsection (c) of section 17a-674 of the general statutes is repealed
2 and the following is substituted in lieu thereof:

3 (c) No loan made pursuant to subsection (a) of this section shall be
4 in an amount in excess of four thousand dollars or for a term of more
5 than two years. Each such loan shall be repaid in monthly installments
6 and shall bear interest at a rate to be determined by the department,
7 but not to exceed six per cent per year. The department [shall] may
8 assess a penalty [of] not to exceed five per cent of [the amount of any
9 monthly payment for any such payment which remains unpaid fifteen
10 days after the due date of such payment and may assess such interest
11 on such late payments as specified in a loan agreement] any amounts
12 that are delinquent or past due for more than six months. Amounts
13 received in repayment of a loan made under this section shall be
14 applied first to the current monthly installment due, then to any
15 interest due, then to the principal of the oldest outstanding loan. Such
16 loan terms, interest requirements and penalty provisions shall be
17 included in each loan agreement and in any contract for the
18 administration of the program made pursuant to subsection (d) of this
19 section. Each loan agreement shall specify that the recipient shall use
20 such loan in accordance with the guidelines issued by the Secretary of

21 the Department of Health and Human Services of the federal
22 government pursuant to the requirements of Public Law 100-690 for
23 such loans.

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JOINT FAVORABLE SUBST. C/R

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